

## Joint Committee on Labor and Workforce Development July 21, 2015

## Testimony of Attorney General Maura Healey (As prepared for delivery)

Chairmen Wolf and Scibak, members of the Committee, thank you for the opportunity to testify today.

I'm here to talk about three bills before your Committee that would help expand opportunities for women in the workplace.

Seventy years ago, Massachusetts passed the country's first Equal Pay Act and became the first state to require equal pay for equal work. Seventy years later, we have not achieved equality.

Women remain subject to discrimination at work, receive unequal pay, and confront barriers to advancement.

Right now in Massachusetts, women earn about 80% of what men earn for the same job. The pay gap is even wider for mothers and women of color.

These disparities begin when women enter the workforce and widen as they raise children, whether or not they take an extended leave of absence.

And they continue through retirement.

Due to disparities in earnings during a career, Social Security and other retirement benefits are different for women than men.

We need to do better, not just for women, but for families across the state.

More than half of families nationwide depend on women's earnings, and as of 2013, women were the *sole* or *primary* breadwinner in 40% of households with children.

This is a core economic security challenge for our state.

The bills before you will help address that challenge.

Let me begin with the issue of equal pay.

The Massachusetts Equal Pay Act<sup>1</sup> has never been an effective tool for combatting wage inequality.

An Act to Establish Pay Equity (Senate Bill 983, House Bill 1733), filed by Senators Jehlen and Spilka and Representatives Livingstone and Story, makes some critical updates to that law.

First, it's difficult to address a problem if you can't really identify it and talk about it.

We need greater transparency when it comes to salaries and wages.

Women often don't know that they are being underpaid, because employers discourage, and sometimes even punish, discussion of wages and salary.

For that reason, I strongly support the provisions in this bill that would guarantee employees the right to discuss their wages.

Second, we need to create incentives for employers to be proactive on the issue of pay equity.

An Act to Establish Pay Equity would provide a safe harbor to those employers that perform self-evaluations of wage disparities and can make an affirmative showing of progress.

Rewarding employers who try to do the right thing is critical.

Third, judicial decisions have cut the teeth out of our current equal pay law and made it very difficult to bring a claim.

The bill before you creates a more workable standard for bringing an equal pay claim, in line with federal law.

We also need to give people who discover they've been the victims of pay discrimination the *time* they need to bring a claim.

This bill extends the statute of limitations for an equal pay claim to three years, which is consistent with other employment discrimination statutes.

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<sup>&</sup>lt;sup>1</sup> G.L. c. 149, § 105A.

But achieving equality in the workplace isn't just about paychecks. We also need to make sure employers are responsive to the needs of working women.

We know that about 75% of those women will be pregnant at some point in their working lives and that they are sometimes forced out of their jobs – or forced to take absences from work – at a time when they need the income and job stability the most.

So I'm supporting *An Act Establishing the Massachusetts Pregnant Workers Fairness Act* (H.B. 1769), filed by Senator Lovely and Representative Story.

The bill prohibits discrimination based on pregnancy, childbirth, or a related condition, and it requires employers to provide reasonable accommodations for pregnant and nursing mothers.

By passing this bill, Massachusetts will join the many other states and cities that explicitly protect pregnant workers.

Finally, to change workplace culture and fix our pay equity problem, we need more women in positions of leadership.

So I would also like to express my support for Senate Resolution 1007, filed by Senator Spilka, which would encourage gender equity on Massachusetts Boards of Directors.

Corporations with more women on their boards are more likely to have women in senior management positions and a smaller gender pay gap.

Achieving gender parity on corporate boards will also help Massachusetts maintain its competitive position.

Studies show that corporations with more women on their boards do better across a range of performance metrics.

By taking these simple steps – increasing pay transparency, cracking down on discrimination, fixing a state law that's been ineffective for too long, and encouraging companies to diversify their leadership teams – we can make real progress toward equality for women across Massachusetts.

I urge you to report these bills out favorably.

Thank you again for the opportunity to testify before you today.

As always, our team at the Attorney General's Office is ready and available to work with you and your staff on these bills.